

## Lumpfish (Roe) Fishery - 2014

The Standing Fish Price-Setting Panel, hereinafter referred to as "the Panel", issued its Schedule of Hearings for 2014, including the species Lumpfish (Roe), on February 11<sup>th</sup>, 2014. Under the provisions of the *Fishing Industry Collective Bargaining Act*, hereinafter to as "*the Act*", the Panel set Monday, April 21<sup>st</sup>, 2014, as the date by which a collective agreement(s) binding on all processors in the province that process the species Lumpfish (Roe) must be in effect. In the absence of such collective agreement(s), the Panel set Tuesday, April 22<sup>nd</sup>, 2014, as the date on which the Panel would conduct a hearing regarding prices and conditions of sale for the species Lumpfish (Roe).

The Panel also noted at that time that it had been advised by the Department of Fisheries and Aquaculture that the Seafood Producers of Newfoundland and Labrador, hereinafter referred to as "SPONL", represents processors that process the majority percentage of the species Lumpfish (Roe). Accordingly, under Section 19(11) of the Act, should a hearing be required for Lumpfish (Roe), the parties appearing before the Panel would be the Fish, Food and Allied Workers, hereinafter referred to as the "FFAW", and SPONL. Section 19.11(1) of the Act and Regulations pursuant thereto require that the decision of the Panel must be in accordance with one of the positions on price and conditions of sale submitted to the Panel by the parties at the hearing. The Panel further advised that no other submissions would be accepted by the Panel, and should other representatives of this species wish to attend the hearing, concurrence from both parties to the collective bargaining must be obtained. The hearing for Lumpfish (Roe), if required, was scheduled to take place at 2:00 p.m. on the dates indicated in the Schedule at the Labour Relations Board Hearings Room, Beothuck Building, 20 Crosbie Place, St. John's, NL. At the request of the parties the Panel rescheduled the date for the hearing to May 15<sup>th</sup>, at 10:00a.m. at the Matthew Room, Ramada Hotel, St. John's.

The only party to appear before the Panel, having earlier filed a submission, was the FFAW. No other representation or submission was made to the Panel. The FFAW reviewed some history with respect to the Lumpfish (Roe) fishery and the pricing of Lumpfish (Roe) for a number of years.

A substantial reduction in the market price for Lumpfish (Roe) occurred in 2013 fishery on reductions in 2012. It was reported that the market for Lumpfish (Roe) had declined from 30,000 barrels per year to 22,000 barrels in 2010. For a number of years under an agreed schedule, producers sell in the market and provide rebates to harvesters based on actual sales figures. This system has worked very well with substantial rebates occurring to harvesters. Unfortunately, the 2012 rebate was just \$0.023, versus the rebates of \$2.00 or more previously. Due to the decline in the fishery and poor market returns, the production of Lumpfish (Roe) had declined to an insignificant level in 2013.

The FFAW advises that it met with SPONL, beginning on March 10<sup>th</sup>, 2014, and proposed a rollover of the 2013 schedule, including a starting price of \$1.50/lb. They

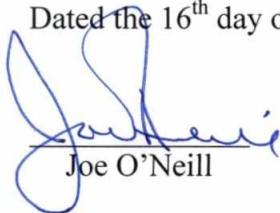
received little if any response from SPONL, no specific offer was made. SPONL has not made any submission or appeared before the Panel.

Even though the circumstances are unusual, SPONL has been identified as the majority processor organization by the Department of Fisheries and Aquaculture. The decline of the fishery presumably has led to a lack of interest in bargaining for 2014.

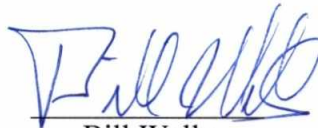
In any event the Panel must follow the clear directives of the Act, and in this instance, is obligated to choose the only position placed before it. The FFAW has not altered the method applied previously in determining the price to harvesters for Lumpfish (Roe) in 2012 and 2013. It has included the minimum price of \$1.50/lb., based on the information received on payments to harvesters in Norway and Iceland who compete in the same market.

It is the decision of the Panel to accept the submission of the FFAW. The attached price schedule for Lumpfish (Roe) will form a collective agreement, or part of a collective agreement, binding on all processors that process the species Lumpfish (Roe).

Dated the 16<sup>th</sup> day of May, 2014.



Joe O'Neill



Bill Wells



Max Short

## 2014 Price Schedule – Lumproe

The prices and related terms and conditions for Lumproe for 2014 are as follows:

The parties agree that this schedule and the Master Collective Agreement constitutes a Collective Agreement between the parties for Lumproe for the purposes of the *Fishing Industry Collective Bargaining Act*.

1. At market prices up to \$900 Cdn CIF Europe, fish harvesters will be paid \$1.50/per lb. for Lumproe.
2. If the market price as outlined in paragraph 3 below, exceeds \$900/per barrel, prices to fish harvesters will be increased retroactively based on sales and shipments up to November 20<sup>th</sup>, 2014. Retroactive payments will be due and payable no later than November 10<sup>th</sup>, 2014.

The raw material price will be increased at a rate of \$.01/lb. for each \$4 per barrel market price increment in excess of \$900/per barrel. (For example, at \$1,100/per barrel, the raw material price would be \$2.00/per lb.).

3. Confirmation of average market prices received will be based on sales reports up to and including November 30<sup>th</sup>, 2014, showing volumes and weighted average prices received per barrel (Cdn\$ CIF Europe) from Ocean Choice International (OCI), Beothuck Fish Processors and Icewater Fisheries. Verification through independent audit or prices received is at the discretion and cost of FFAW.
4. There will be no deductions from these prices for ice and/or water.
5. Temperatures must be controlled by icing and landed roe must be free of foreign material and excess water.